

FILED

FEB 22 2022

UNITED STATES DISTRICT COURT
For the Northern District of Oklahoma

United States of America

)

Mark C. McCartt, Clerk
U.S. DISTRICT COURT

Plaintiff

)

)

v.

)

Civil Action No. 4:19-cv-00432-JED-JFJ

Ryan K. Jones and Tarah F. Jones

)

Defendant

)

RESPONSE AND REQUEST TO DENY PLAINTIFF'S MOTION FOR SANCTIONS AND DEFAULT
JUDGMENTS AGAINST DEFENDANTS RYAN JONES AND TARAH JONES

COMES now the defendants, Ryan Jones and Tarah Jones, pro se, and respectfully
requests the court deny plaintiff's motion for sanctions and default judgments against
defendants Ryan Jones and Tarah Jones for the following reasons:

1. Defendants have not acted in a willful manner if defendants have failed to comply with Rule 26(a)(1) in response to Plaintiff's discovery requests.
2. Defendants were not aware of the court order to file initial disclosures by December 23rd, 2022 until Monday, February 14th when defendants received the Motion for Default judgment. Plaintiff sent said motion to the wrong address. Plaintiff should have already had Defendants new address based on previous court filings. Defendant has also now emailed Plaintiff the correct address for future correspondence as confirmation.
3. Defendants believe responses to plaintiff's discovery requests were properly sent on April 2nd, 2021. Defendants have been unaware of any further requests.
4. Defendant Ryan Jones' responses to plaintiff's discovery requests were not "frivolous",

Mail No Cert Svc Non-English
 C/J O/MJ C/Ret'd No Env
 No Cpy's No Env/Cpy's O/J O/MJ

as plaintiff contends. For example, Interrogatory 1 states "If you contend IRS calculations were incorrect...". Plaintiff is asking for defendant's position on the question. Defendant gave an honest position. "Contend" is defined as "an assertion as a position in an argument". Perhaps plaintiff did not like or agree with defendant's assertion, but it remains Defendant's assertion and is a valid response to the interrogatories.

5. One of the defendant Ryan Jones' Answer to the original petition is that the statute of limitations for any assessments made for the years 1999, 2000, 2001, 2002 and 2003 expired on September 10th, 2018. Plaintiff filed the petition almost 11-months after the 10-year statute of limitations for collection expired. (See Addendum "A"). A default judgment against defendants under the circumstances would be a grievous injustice.
6. Defendants cannot presently afford to hire an attorney on this matter. The pandemic over the last two years has decimated Defendant Ryan Jones' business and defendant is currently working 65 – 70 hours per week to keep the business running. Defendants are not voluntarily representing themselves. It is out of financial necessity.
7. Plaintiff is the wealthiest, most powerful entity the world has ever known, and has at its disposal virtually unlimited funds and resources to bring this action against its own citizens. Furthermore, multiple representatives for Plaintiff all have law degrees and multiple years of experience necessary for navigating complex and often confusing litigation rules. This is the definition of an unfair advantage. If the court grants Plaintiff's motion for default judgment, it would be a grievous injustice against defendants considering the circumstances.

8. Plaintiff filed assessments against defendant Ryan Jones for the years 1999, 2000, 2001,

2002, and 2003. Plaintiff filed the assessments on September 10th, 2008. Plaintiff then

had an additional 10 years to collect on the assessments involved in this litigation.

Despite the unfathomable resources at Plaintiff's disposal to collect on assessments

within the lawful time frame, plaintiff still missed the statute of limitations deadline by

almost 11-months. A default judgment against defendants would be infinitely more

detrimental to defendants than defendants unknowingly missing a disclosure date by 6-

weeks is detrimental to Plaintiffs.

9. As of the date of this motion, defendants have also not received initial disclosure from

plaintiff. For the foregoing reasons, defendants humbly request the court to deny

plaintiff's Motion for Sanctions and Default Judgment, and are willing to comply with

any of plaintiff's requests or required filings.

Dated February 18th, 2022



Defendant Ryan Jones



Defendant Tarah Jones

Addendum A attached.

cc: Julian Lee by email.

Ryan Jones was instructed by Court Clerk's office to send by mail and this motion was sent on February 18th, 2022 to the following:

Court Clerk of Northern District of Oklahoma

333 West Fourth St., Room 411

Tulsa, OK 74103

Department of the Treasury
Internal Revenue Service
1999 Broadway, 2nd Floor
8001-16110PN
Denver, CO 80202-3025

CERTIFIED MAIL

To: *RK*
Ryan K. Jones
4181 Stepney Court
Colorado Springs CO 80906-1834

7006 2760 0002 2869 9211
Form Number
1040
Taxpayer Identifying Number
158-28-2720
Person to Contact
Marge Hutchinson
Telephone Number
303-603-4563
Employee Identification Number
54-01174
Refer Reply to
9000-4021071
Last Day to File a Petition With the
United States Tax Court

Tax Year Ended:	December 31, 1999	December 31, 2000	December 31, 2001
Deficiency:			
Increase in tax	\$41,144.00	\$15,900.00	\$151,686.00
Penalties:			
IRC Sec. 6631(a)(1)	\$9,257.20	\$4,817.50	\$34,139.33
IRC Sec. 6651(a)(1)	See * below	See * below	See * below
IRC Sec. 6654	\$1,976.00	\$888.16	\$6,061.92

* The amount of the addition to tax cannot be determined at this time, but an addition to tax of 0.5 percent will be imposed for each month, or fraction thereof, of nonpayment, up to 25 percent, based on the liability shown on this report.

Dear Ryan K. Jones:

NOTICE OF DEFICIENCY

We have determined that you owe additional tax or other amounts, or both, for the tax year(s) identified above. This letter is your NOTICE OF DEFICIENCY, as required by law. The enclosed statement shows how we figured the deficiency.

If you want to contest this determination in court before making any payment, you have 90 days from the date of this letter (150 days if this letter is addressed to you outside of the United States) to file a petition with the United States Tax Court for a redetermination of the deficiency. You can get a copy of the rules for filing a petition and a petition form you can use by writing to the address below.

United States Tax Court, 400 Second Street, NW, Washington, DC 20011

The Tax Court has a simplified procedure for small tax cases when the amount in dispute for each tax year is \$50,000 or less. If you intend to file a petition for multiple tax years and the amount in dispute for any one or more of the tax years exceeds \$50,000, this simplified procedure is not available to you. If you use this simplified procedure, you cannot appeal the Tax Court's decision. You can get information pertaining to the simplified procedure for small cases from the Tax Court by writing to the court at the above address or from the court's internet site at www.uscourts.gov.

Letter 531-T (11-2007)
Carrying Number 401224

Addendum A

Department of the Treasury
Internal Revenue Service
 1995 Broadway, 28th Floor
 NIN: 1031DFN
 Denver, CO 80202-3025

CERTIFIED MAIL

To: **Mr. Ryan K. Jones**
 Ryan K. Jones
 Henningsen Group
 Colorado Springs CO 80906-4824

File Number:
 1031
 Taxpayer Identifying Number:
 458-29-2771
 Person(s) Contact:
 Marge Hutchinson
 Telephone Number:
 303-603-4563
 Zip Code Identification Number:
 8031474
 Refer Ref ID:
 93D-40213EN
 Notice to File a Petition: May 14
 United States Tax Court

Tax Year Ended:	December 31, 2002	December 31, 2003
Deficiency:		
Increase in tax:	\$19,113.00	\$21,661.00
PENALTIES		
IRC Sec. 6651(a)(1)	\$1,107.98	\$4,620.21
IRC Sec. 6651(a)(2)	See * below	See * below
IRC Sec. 6654	\$1,615.87	\$555.00

* The amount of the addition to tax cannot be determined at this time, but an addition to tax of 5 percent will be imposed for each month (or fraction thereof) of owing interest up to 25 percent based on the liability shown on this report.

Mr. Ryan K. Jones

NOTICE OF DEFICIENCY

We have determined that you owe additional tax or other amounts, or both, for the tax years identified above. This letter is your NOTICE OF DEFICIENCY as required by law. The enclosed statement shows how we figured the deficiency.

If you want to contest this determination in court before making any payment, you have 90 days from the date of this letter (150 days if this letter is addressed to you outside of the United States) to file a petition with the United States Tax Court for a redetermination of the deficiency. You can get a copy of the rules for filing a petition and a petition form you can use by writing to the address below.

United States Tax Court, 400 Second Street, NW, Washington, DC 20217

The Tax Court has a simplified procedure for small tax cases when the amount in dispute for each tax year is \$5,000 or less. If you intend to file a petition for multiple tax years and the amount in dispute for any one or more of the tax years exceeds \$5,000, this simplified procedure is not available to you. If you use this simplified procedure, you cannot appeal the Tax Court's decision. You can get information pertaining to the simplified procedure for small cases from the Tax Court by writing to the court at the above address or from the court's internet site at www.usct.gov/court/gov.htm.

Letter 531-T (11-2007)
 Logging Number: 412274

Form 4549-A (Rev. March 2005)	Department of the Treasury-Internal Revenue Service Income Tax Discrepancy Adjustments		Date <u> </u> of <u> </u>
Name and Address of Taxpayer Ryan K Jones 1702 East Hampden Road Bassettville, OK 74006		Taxpayer Identification Number 408-23-2727	Return Form No 1040
		Person with whom examination changes were discussed	Name and Title:
1. Adjustments to Income		Period End 12-31-2004	Period End 12-31-2004
a. Sch C1 - Active Income b. WIC AMT Adjustment c. Standard Deduction d. Other Adjustments e. f. g. h. i. j. k. l. m. n. o. p.		55,000.00 -1,000.00 3,600.00 -1,000.00	55,000.00 -1,000.00 4,600.00 -1,000.00
2. Total Adjustments		1,000.00	1,000.00
3. Taxable Income Per Return or as Previously Adjusted		128,985.00	128,985.00
4. Corrected Taxable Income		128,985.00	128,985.00
Tax Method Filing Status		Married Separate 22,000.00	Married Separate 22,000.00
5. Tax		10,000.00	10,000.00
6. Additional Taxes / Alternative Minimum		0.00	0.00
7. Corrected Tax Liability		10,000.00	10,000.00
8. Less Credits a. b. c. d.		0.00	0.00
9. Balance Due / Less Total of Lines 8 & Line 10		10,000.00	10,000.00
10. Plus	a. Self Employment Tax b. c. d.	1,000.00	1,000.00
11.	Total Corrected Tax Liability (Line 8 plus Lines 10 & Line 10c)	11,000.00	11,000.00
12.	Total Tax Shown on Return or as Previously Adjusted	0.00	0.00
13. Adjustments to:		0.00	0.00
b. c.		0.00	0.00
14. Deficiency-Increase in Tax or (Overassessment - Decrease in Tax) (Line 11 less Line 12 adjusted by Lines 13a thru 13d)		49,243.00	49,243.00
15. Adjustments to Prepayment Credits-Increase (Decrease)		0.00	0.00
16. Balance Due or (Overpayment) (Line 14 adjusted by Line 15) (Excluding interest and penalties)		49,243.00	49,243.00

Form 4549-A

Department of the Treasury - Internal Revenue Service

Rev. March 2005

Income Tax Discrepancy Adjustments

Page 2 of 2

Name of Taxpayer

Taxpayer Identification Number

Return Form No.

17. Penalties/Code Sections

	Period End 4/15/2005	Period End 4/15/2005	Period End 4/15/2005
a. Del-C-IRC Sec 161(d)	\$ 0.00	\$ 0.00	\$ 0.00
b. Del-C-IRC Sec 161(e)	\$ 0.00	\$ 0.00	\$ 0.00
c. Estimated Tax-IRC Sec 161(f)	\$ 0.00	\$ 0.00	\$ 0.00
d. e. f. g. h. i. j. k. l. m. n. o. p. q. r. s. t. u. v. w. x. y. z.	\$ 0.00	\$ 0.00	\$ 0.00

18. Total Penalties

Jurisdictional penalties imposed by regulations (T.R. 1367) for failure to pay or underpayment of tax due within 60 days of assessment.	\$ 0.00
Underpayment penalties imposed by regulations (T.R. 1367) for failure to pay or underpay taxes due on time.	\$ 0.00
Interest will accrue until the assessment date at 12% per annum.	\$ 0.00

19. Summary of Taxes, Penalties and Interest

a. Estimated Due on Payment of Tax - Line 11, page 1	\$ 0.00	\$ 0.00	\$ 0.00
b. Penalties Under 15 - computed to 1/29/2005	\$ 0.00	\$ 0.00	\$ 0.00
c. Interest (T.R. 1367), computed to 1/29/2005	\$ 0.00	\$ 0.00	\$ 0.00
d. Total Taxes - computed to 1/29/2005	\$ 0.00	\$ 0.00	\$ 0.00
e. Amount Due on Payment - sum of Lines a, b, c, d	\$ 0.00	\$ 0.00	\$ 0.00

Other Information:

Examiner's Signature
Name: Donald E. Sweeney Employee ID: 61-10904 Office: Examiner, CO Date: 05/10/2006

The Internal Revenue Service has agreements with state tax agencies under which information about federal tax, including increases or decreases, is exchanged with those states. This change affects the amount of your state return you should enter on your state return by filing the necessary form. You may be subject to tax audit withholding if you underpaid your federal dividends or partnership dividends income you earned and did not pay the required tax. The IRS may order backup withholding or a percentage of your dividends and/or interest payments, if the tax remains unpaid after it has been assessed and four calendar days have passed in you over a 120-day period.

Form 4549-A (Rev. March 2005)	Department of the Treasury-Internal Revenue Service Income Tax Discrepancy Adjustments		Page <u>1</u> of <u>4</u>		
Name and Address of Taxpayer: Sarah K Jones 1703 East Hampden Road Bartlesville OK 74006		Taxpayer Identification Number 444-29-2720	Return Form No.: 1040		
		Person with whom discrepancy changes were discussed:			
1. Adjustments to Income		Period End 01-01-2000	Period End 02-28-2000	Period End 12-31-2000	
a. 2000 AG - Other Income b. 2000 AMT Adj. Adjustment c. Standard Deduction d. Exemptions e. f. g. h. i. j. k. l. m. n. o. p.		100,340.80	-1,000.24	386,104.80	
		6,049.00	-1,000.00	11,500.00	
		3,600.00	-1,000.00	2,600.00	
		-1,000.00	-1,000.00	-1,000.00	
2. Total Adjustments		000,000.00	41,000.00	380,404.80	
3. Taxable Income For Return or as Previously Adjusted		000,000.00	0.00	0.00	
4. Corrected Taxable Income		000,000.00	000,000.00	000,000.00	
Tax Method		100,340.80	100,340.80	100,340.80	
Filing Status		Married Separate	Married Separate	Married Separate	
5. Tax		000,000.00	000,000.00	000,000.00	
6. Additional Taxes / Alternative Minimum					
7. Corrected Tax Liability		10,000.00	-1,000.00	10,000.00	
8. Less		a. 2000 Employment Credit Credits b. c. d.		300	
9. Balance (Line 7 less total of Lines 8a thru 8d)		9,700.00	-1,000.00	9,700.00	
10. Plus		a. 2000 Employment Tax Other Taxes b. c. d.	10,000.00	-1,000.00	20,000.00
11. Total Corrected Tax Liability (Line 9 plus Lines 10a thru 10d)		40,700.00	-1,000.00	40,700.00	
12. Total Tax Shown on Return or as Previously Adjusted		000,000.00	0.00	0.00	
13. Adjustments to:					
a. b. c.					
14. Deficiency-Increase in Tax or (Overassessment - Decrease in Tax) (Lines 11 less Line 12 adjusted by Lines 13a thru 13d)		40,700.00	-1,000.00	40,700.00	
15. Adjustments to Prepayment Credit-Increase (Decrease)					
16. Balance Due or (Overpayment) - (Line 14 adjusted by Line 15) (Excluding interest and penalties)		40,700.00	-1,000.00	40,600.00	

Form 4549-A (Rev. March 2005)	Department of the Treasury-Internal Revenue Service Income Tax Discrepancy Adjustments		
Name of Taxpayer John A. Doe		Page <u>2</u> of <u>4</u>	
		Taxpayer Identification Number 248-24-00000	
		Return Form No. 1040	
17. Penalties/ Code Sections		Period End 12/31/05	Period End 12/31/05
a. Del.IRC 6694 b b. Del-IRC 6694 c c. Estimated Tax IRC 6644 d. e. f. g. h. i. j. k. l. m. n. o.		12,336.00	12,336.00
18. Total Penalties		12,336.00	12,336.00
Underpayment attributable to negligence (1681-1687) A tax addition of 50 percent of the interest due on the underpayment will accrue until it is paid or assessed.			
Underpayment attributable to fraud (1681-1687) A tax addition of 50 percent of the interest due on the underpayment will accrue until it is paid or assessed.			
Underpayment attributable to Tax Motivated Transactions (TMT) Interest will accrue and be assessed at 125% of underpayment rate in accordance with IRC 6621(c)			0.00
19. Summary of Taxes, Penalties and Interest:			
a. Balance due or (Overpayment) Taxes - (Line 10, Page 4)		4,334.00	10,664.00
b. Penalties (Line 15 - computed to 12/31/2005)		12,336.00	12,336.00
c. Interest (IRC § 4601) - computed to 12/31/2005		12,336.00	12,336.00
d. TMT Interest - computed as 12/31/2005 (See TMT Underpayment)		0.00	0.00
e. Amount due or refund - (sum of Lines a, b, c and d)		12,336.00	12,336.00

Other information:

Examiner & Case Info			
Name <i>Ronald E. Burchett</i>	Barcode ID: 64-09804	Office: Denver, CO	Date 09/10/2005
Ronald E. Burchett			

The Internal Revenue Service has agreements with state tax agencies under which information about federal tax - including increases or decreases - is exchanged with the states. If this change affects the amount of your state income tax you should amend your state return by filing the necessary forms.

You may be subject to backup withholding if you underreport your interest, dividend, or partnership dividend income you earned and do not pay the required tax. The IRS may order backup withholding (withholding of a percentage of your dividend and/or interest payments) if the tax remains unpaid after it has been assessed and four notices have been issued to you over a 120-day period.

Please file.

I don't need a copy.

Thanks

Ryan Jones

918-853-3700



Ryan Jones
P.O. Box 171
Bartlesville, OK 74003

Court Clerk of Northern
District of Oklahoma
333 W. Fourth St.
Room 411
Tulsa, OK 74103

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Mark C. Clark
U.S. DISTRICT COURT

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